

October 15, 2004

:MC Electronic Materials, Inc.

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Mr. Emmanuel Huyghe Industrial Property Manager S.O.I.T.E.C. Parc Technologique des Fontaines 38190 Bernin, France

Dear Mr. Huyghe:

This letter is in response to your letter of September 30, 2004.

Our understanding is that the patent claims to which you draw our attention have been found invalid, and they will remain invalid unless and until the patent is reissued. We further understand that each claim appearing in the reissue application was rejected upon one or more grounds on June 7, 2004 and that no response to this rejection has been filed; if one has been filed, please let us know.

Even if the claims are reissued as you contend, however, we believe the processes we are developing will fall outside the scope of any such reissue claims. If you disagree, please advise us as to the expected scope of your claims so that we may give your position full consideration. In particular, your letter suggests that any manufacture or sale of bonded SOI wafers, sSOI wafers, or other similar devices produced by layer transfer methods will infringe a patent that you may receive. Is it your contention that the claims you are pursuing are this broad? If so, please explain why, because we do not understand this to have been Soitec's position in the past. If not, please describe in more detail what you believe the issued claims will cover.

MEMC respects the valid patent rights of others and would never take any action it knew to infringe the valid patent rights of another. Accordingly, please provide the above requested information to enable us to better understand whatever rights you believe you may have in this technology.

Relatedly, we note from your website that your UNIBOND product is described as containing COP-free material (active and handle wafers). We also understand that you supply SOI wafers to certain customers whose specifications require a COP-free device layer. MEMC has an extensive patent estate concerning COP-free silicon ingots and wafers (i.e., agglomerated intrinsic point defect-free material), per se, methods of preparing such ingots and wafers, and SOI substrates prepared from such materials. See, for example, our U.S. Patent Nos. 5,919,302; 6,236,104; 6,254,672; 6,287,380; and

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6,342,725 and European Patent Nos. 972,094; 973,963; and 973,964. We are interested in obtaining further information concerning your UNIBOND product and whether, for example, you believe your UNIBOND product and its preparation fall outside the scope of our patent estate and, if so, why. If you determine that you are interested in using MEMC's patented technology, MEMC will consider a request to license this technology.

We look forward to your reply.

Shaker Sadasivam

Very truly yours,

Dr. Shaker Sadasivam